

COMPANY REGISTRATION NUMBER : 1173530

**A. & C. BLACK (STORAGE) LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**31ST DECEMBER 1996**

Kidsons Impey  
Chartered Accountants  
Spectrum House  
20-26 Cursitor Street  
London EC4A 1HY



# **A. & C. BLACK (STORAGE) LIMITED**

## **DIRECTORS' REPORT**

**31st December 1996**

The directors have pleasure in submitting their annual report and the audited financial statements for the year ended 31st December 1996.

### **Review of the year**

The Company continued to provide storage facilities to fellow subsidiary undertakings.

The results for the year are set out on page 4.

### **Dividend**

The Company paid no dividend during the year (1995- £Nil).

### **Future developments**

No change in the Company's activities is anticipated in the foreseeable future.

### **Fixed assets**

All changes in fixed assets are shown in note 6 on page 7.

The directors do not consider there to be a significant difference between the book value and estimated market value of freehold land and buildings.

### **Directors and their interests**

The directors of the Company at the date of this report, both of whom served throughout the year, are:-

C. A. A. Black  
T.E. Rouelett

Neither of the directors had any interest in the share capital of the company at any time during the year. Both were directors of the ultimate parent company at 31st December 1996 and their interests in its share capital are shown in the Directors' Report accompanying the group financial statements.

### **Statement of directors' responsibilities**

We are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company, and of the profit or loss of the company for that period.

In preparing these financial statements we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, and give details of any departures;
- prepare the financial statements on a going concern basis unless in our view the Company will be unable to continue in business.

**A. & C. BLACK (STORAGE) LIMITED**

**DIRECTORS' REPORT**

**31st December 1996**  
(continued)

**Statement of directors' responsibilities (continued)**

We are also responsible for:

- keeping proper accounting records;
- safeguarding the Company's assets;
- taking reasonable steps for the prevention and detection of fraud.

**Auditors**

Kidsons Impey agreed to offer themselves for re-election as auditors of the Company.

On behalf of the board



**Jenny Aspinall**

Secretary

35 Bedford Row  
London WC1R 4JH

27th March 1997

# A. & C. BLACK (STORAGE) LIMITED

## AUDITORS' REPORT

### Auditors' report to the members of A. & C. Black (Storage) Limited

We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

#### Respective responsibilities of directors and auditors

As described on pages 1 and 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

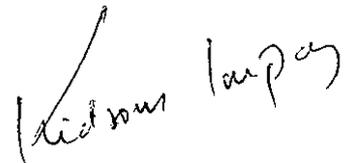
#### Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31st December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Kidsons Impey**

Registered Auditors

Chartered Accountants

London

27th March 1997

# A. & C. BLACK (STORAGE) LIMITED

## PROFIT AND LOSS ACCOUNT

for the year ended 31st December 1996

	Note	1996 £	1995 £
Turnover		145,250	140,250
Administrative expenses		<u>(95,396)</u>	<u>(91,637)</u>
Operating profit	2	49,854	48,613
Interest payable	4	<u>(9,102)</u>	<u>(13,123)</u>
Profit on ordinary activities before taxation		40,752	35,490
Taxation	5	<u>(8,994)</u>	<u>(8,290)</u>
Retained profit for the financial year		31,758	27,200
Balance brought forward		<u>133,855</u>	<u>106,655</u>
Balance carried forward		<u>165,613</u>	<u>133,855</u>

### Continuing operations

None of the Company's operations were acquired or discontinued during the above two financial years.

### Total recognised gains and losses

The Company had no recognised gains or losses for the two years ended 31st December 1996 apart from the results shown above.

# A. & C. BLACK (STORAGE) LIMITED

## BALANCE SHEET

31st December 1996

	Note	1996		1995	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		379,112		394,008
<b>Current assets</b>					
Debtors	7	11,499		11,116	
Creditors: amounts falling due within one year	8	<u>(68,754)</u>		<u>(105,320)</u>	
<b>Net current (liabilities)</b>			<u>(57,255)</u>		<u>(94,204)</u>
<b>Total assets less current liabilities</b>			321,857		299,804
Creditors: amounts falling due after more than one year	8	(58,644)		(64,679)	
<b>Provision for liabilities and charges</b>					
Deferred taxation	9	<u>(97,500)</u>		<u>(101,170)</u>	
<b>Net assets</b>			<u>165,713</u>		<u>133,955</u>
<b>Capital and reserves</b>					
Share capital	10		100		100
Profit and loss account			<u>165,613</u>		<u>133,855</u>
<b>Equity shareholders' funds</b>	11		<u>165,713</u>		<u>133,955</u>

The financial statements on pages 4 to 8 were approved by the board of directors on 27th March 1997.

**C.A.A. Black**

Director



# A. & C. BLACK (STORAGE) LIMITED

## NOTES ON FINANCIAL STATEMENTS

31st December 1996

### 1 Accounting policies

#### Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. The Company is a wholly owned subsidiary undertaking and as such has utilised the exemptions provided by Financial Reporting Standard No. 1 and has not prepared a cash flow statement. The cash flows of the Company are included in the consolidated cash flow statement of its ultimate parent company, A. & C. Black plc.

#### Depreciation

Fixed assets are depreciated at the following rates on a straight-line basis:

Freehold land	Nil
Freehold building	2% p.a.
Plant	10% p.a.

The above rates are estimated to write off the cost of fixed assets, less any residual value, over their useful lives. A full charge is made in the year of acquisition and no charge in the year of disposal.

#### Deferred taxation

Deferred taxation is provided in respect of the taxation effect of all timing differences to the extent that the liabilities are likely to crystallise in the foreseeable future.

<b>2 Operating profit</b>	<b>1996</b>	<b>1995</b>
	£	£
Administrative expenses include:		
Depreciation	14,896	14,945
Auditors' remuneration	<u>1,400</u>	<u>1,400</u>
<b>3 Directors' emoluments</b>		
No directors' emoluments were payable for the year (1995 - £Nil).		
<b>4 Interest payable</b>	<b>1996</b>	<b>1995</b>
	£	£
On debentures (note 8)	<u>9,102</u>	<u>13,123</u>
<b>5 Taxation</b>	<b>1996</b>	<b>1995</b>
	£	£
The taxation charge which is based on the profit for the year on ordinary activities is made up as follows:		
UK corporation tax at 24.25% (1995 - 25%)	12,664	11,420
Deferred taxation	<u>(3,670)</u>	<u>(3,130)</u>
	<u>8,994</u>	<u>8,290</u>

# A. & C. BLACK (STORAGE) LIMITED

## NOTES ON FINANCIAL STATEMENTS

31st December 1996

(continued)

<p><b>6 Tangible fixed assets</b></p>	<p><b>Freehold Land and Buildings</b></p>	<p><b>Plant</b></p>	<p><b>Total</b></p>
	£	£	£
<b>Cost</b>			
At 1st January 1996 and 31st December 1996	<u>558,657</u>	<u>115,788</u>	<u>674,445</u>
<b>Depreciation</b>			
At 1st January 1996	177,115	103,322	280,437
Charge for year	<u>10,047</u>	<u>4,849</u>	<u>14,896</u>
At 31st December 1996	<u>187,162</u>	<u>108,171</u>	<u>295,333</u>
<b>Net book amount</b>			
At 31st December 1996	<u>371,495</u>	<u>7,617</u>	<u>379,112</u>
<b>7 Debtors</b>		1996	1995
		£	£
<b>Amounts falling due within one year</b>			
Prepayments		<u>11,499</u>	<u>11,116</u>
<b>8 Creditors</b>			
<b>Amounts falling due within one year</b>			
Debenture loan		6,036	19,177
Ultimate parent company		51,060	73,073
Corporation tax		2,230	2,284
Accruals		<u>9,428</u>	<u>10,786</u>
		<u>68,754</u>	<u>105,320</u>
<b>Amounts falling due after more than one year</b>			
Debenture loan		<u>58,644</u>	<u>64,679</u>
<p>The debenture loan outstanding at 31st December 1996 is fully secured on the freehold land and buildings, interest is charged at 13.5% per annum and the loan is repayable by instalments as follows:-</p>			
		1996	1995
		Total	Total
		£	£
<b>Number of years from balance sheet date:</b>			
Five or more		24,822	34,999
Between two and five		26,945	23,645
Between one and two		<u>6,877</u>	<u>6,035</u>
		58,644	64,679
One or less		<u>6,036</u>	<u>19,177</u>
		<u>64,680</u>	<u>83,856</u>

# A. & C. BLACK (STORAGE) LIMITED

## NOTES ON FINANCIAL STATEMENTS

31st December 1996

(continued)

9 Deferred taxation	1996	1995
	£	£
Potential liability		
Taxation deferred by capital allowances	98,800	104,300
Short-term timing differences	<u>(1,300)</u>	<u>(3,130)</u>
	<u>97,500</u>	<u>101,170</u>
Amount provided	<u>97,500</u>	<u>101,170</u>

The potential liability and provision are based on a corporation tax rate of 33% (1995 - 33%).

10 Share capital	1996 and 1995
	£
Authorised	
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>
Allotted, called up and fully paid	
100 Ordinary Shares of £1 each	<u>100</u>

11 Reconciliation of movement in equity shareholders' funds	1996	1995
	£	£
1st January 1996	133,955	106,755
Profit for the year	<u>31,758</u>	<u>27,200</u>
31st December 1996	<u>165,713</u>	<u>133,955</u>

### 12 Ultimate parent company

The ultimate parent company is A. & C. Black plc, a company incorporated in Great Britain and registered in England and Wales.

### 13 Guarantee

The company is party to a cross guarantee in respect of the bank borrowings of certain group undertakings.

### 14 Related parties

The company has taken advantage of the exemption offered by Financial Reporting Standard No. 8 to disclose intra-group transactions in the financial statements of a subsidiary where 90% of the voting rights are controlled within the group.